

OPERATING BUDGET SUMMARY: ALL FUNDS

BUDGET SUMMARY BY FUND

FUND SUMMARY

	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
<u>Revenues:</u>				
General Fund	86,335,365	87,724,015	89,259,246	92,688,293
Water Resources Fund	31,437,503	32,627,659	35,371,109	33,149,629
Transit Services Fund	4,637,865	4,777,881	5,395,260	5,659,280
Civic Center Fund	2,052,530	2,207,266	2,239,414	2,084,115
Parking Services Fund	2,927,021	3,095,654	3,099,700	2,839,700
Golf Fund	896,252	966,561	1,164,701	1,000,000
Stormwater Utility Fund	3,073,936	3,105,942	3,304,383	2,899,218
Festivals Fund	<u>887,044</u>	<u>1,062,609</u>	<u>1,107,681</u>	<u>779,143</u>
Total	132,247,516	135,567,587	140,941,494	141,099,378
Less Interfund Transactions	(4,406,566)	(4,904,256)	(5,336,367)	(4,868,028)
Net Revenue	<u>127,840,950</u>	<u>130,663,331</u>	<u>135,605,127</u>	<u>136,231,350</u>
<u>Expenditures:</u>				
General Fund	81,735,181	90,964,262	89,259,246	92,688,293
Water Resources Fund	30,089,287	30,960,467	35,371,109	33,149,629
Transit Services Fund	4,289,875	4,815,873	5,395,260	5,659,280
Civic Center Fund	1,972,880	2,015,649	2,239,414	2,084,115
Parking Services Fund	1,893,523	2,358,799	3,099,700	2,839,700
Golf Fund	953,622	1,005,496	1,164,701	1,000,000
Stormwater Utility Fund	2,269,157	2,579,320	3,304,383	2,899,218
Festivals Fund	<u>1,310,166</u>	<u>1,179,759</u>	<u>1,107,681</u>	<u>779,143</u>
Total	124,513,691	135,879,625	140,941,494	141,099,378
Less Interfund Transactions	(4,406,566)	(4,904,256)	(5,336,367)	(4,868,028)
Net Expenditure	<u>120,107,125</u>	<u>130,975,369</u>	<u>135,605,127</u>	<u>136,231,350</u>

OPERATING BUDGET SUMMARY: ALL FUNDS

BUDGET SUMMARY BY FUND

Sources of Funds:

	General Fund	Water Resources	Transit Services	Civic Center	Stormwater Utility	Parking Services	Festivals	Golf	All Funds
Property Tax	45,413,548	0	0	0	0	0	0	0	45,413,548
Charges For Service	11,439,835	32,576,439	911,000	1,548,400	2,665,218	0	319,800	1,000,000	50,460,692
Intergovernmental	11,393,131	0	3,317,333	0	0	0	0	0	14,710,464
Local Option Sales Tax	15,880,273	0	0	0	0	0	0	0	15,880,273
Other Taxes	330,000	0	0	0	0	0	0	0	330,000
Licenses & Permits	4,999,049	0	310,000	0	204,000	0	0	0	5,513,049
Investment Earnings	1,014,000	550,000	0	70,000	30,000	50,000	0	0	1,714,000
Miscellaneous	320,093	23,190	0	70,900	0	2,789,700	273,917	0	3,477,800
Other	0	0	248,116	3,500	0	0	700	0	252,316
General Fund Subsidy	0	0	872,831	391,315	0	0	184,726	0	1,448,872
Appropriated Fund Balance	1,898,364	0	0	0	0	0	0	0	1,898,364
Total Revenue	92,688,293	33,149,629	5,659,280	2,084,115	2,899,218	2,839,700	779,143	1,000,000	141,099,378
Less: Interfund Transactions									(4,868,028)
Net Revenue									136,231,350

Uses of Funds:

	General Fund	Water Resources	Transit Services	Civic Center	Stormwater Utility	Parking Services	Festivals	Golf	All Funds
Salaries & Wages	43,123,462	6,040,760	142,091	916,867	1,470,589	702,566	133,526	443,137	52,972,998
Fringe Benefits	14,880,912	2,363,180	44,601	299,296	504,294	271,152	42,849	146,423	18,552,707
Operating Costs	24,363,175	10,128,355	5,472,588	860,952	864,558	1,013,626	602,768	410,440	38,848,434
Interfund Transfers	1,748,872	0	0	0	0	248,116	0	0	1,996,988
Debt Service	5,429,922	7,637,399	0	0	50,000	500,000	0	0	13,617,321
Capital Outlay	3,141,950	6,979,935	0	7,000	9,777	104,240	0	0	10,242,902
Total Expenditure	92,688,293	33,149,629	5,659,280	2,084,115	2,899,218	2,839,700	779,143	1,000,000	141,099,378
Less: Interfund Transactions									(4,868,028)
Net Expenditure									136,231,350

BUDGET SUMMARY - EXPENDITURES

<u>Service Area</u>	2006-07	2007-08	2008-09	2009-10
Departments	Actual	Actual	Budget	Adopted
<u>General Government</u>				
Finance	5,717,640	2,470,842	2,642,397	2,759,415
Information Technology	1,788,627	2,272,813	2,302,182	2,637,058
General Administration	1,780,402	1,977,238	1,886,512	1,924,038
Legal Services	502,051	576,739	624,864	597,602
Human Resources	1,028,830	1,321,572	1,545,062	1,587,897
Health Care Tran. (Employee Share)	**	2,740,926	2,800,000	2,740,926
Nondepartmental	1,511,482	1,280,911	1,259,593	1,341,255
Total General Government	12,329,032	12,641,041	13,060,610	13,588,191
<u>Public Safety</u>				
Police	16,251,889	18,569,261	19,735,634	20,050,056
Fire & Rescue	14,450,624	16,426,305	16,613,560	17,991,504
Nondepartmental	314,213	601,142	376,629	391,088
Total Public Safety	31,016,726	35,596,708	36,725,823	38,432,648
<u>Environment & Transportation</u>				
Water Resources Fund	30,089,287	30,960,467	35,371,109	33,149,629
Public Works	10,202,154	11,466,431	12,162,261	13,005,455
Engineering	1,814,662	1,858,662	1,600,030	1,571,187
Transit Services Fund	4,289,875	4,815,873	5,395,260	5,659,280
Parking Services Fund	1,893,523	2,358,799	3,099,700	2,839,700
Stormwater Utility Fund	2,269,157	2,579,320	3,304,383	2,899,218
Nondepartmental	2,238,896	2,327,865	2,518,497	1,825,131
Total Environ. & Transportation	52,797,554	56,367,417	63,451,240	60,949,600
<u>Culture & Recreation</u>				
Parks, Rec. & Cultural Arts	8,337,829	8,944,270	9,897,088	10,661,583
Civic Center Fund	1,972,880	2,015,649	2,239,414	2,084,115
Golf Fund	953,622	1,005,496	1,164,701	1,000,000
Festivals Fund	1,310,166	1,179,759	1,107,681	779,143
Interfund Transfers	413,340	685,120	636,365	576,041
Nondepartmental	316,295	14,375	17,500	5,000
Total Culture & Recreation	13,304,132	13,844,669	15,062,749	15,105,882
<u>Community Development</u>				
Building Safety	2,084,331	2,795,629	2,595,832	2,756,621
Planning & Development	1,509,865	1,745,332	1,880,568	1,839,264
Housing Trust Fund	600,000	600,000	600,000	300,000
Nondepartmental	176,575	213,491	326,350	712,250
Total Community Development	4,370,771	5,354,452	5,402,750	5,608,135
Capital Reserve Funding	5,174,287	7,236,546	1,528,500	1,985,000
General Debt Service	5,521,189	4,838,792	5,709,822	5,429,922
TOTAL BUDGET	124,513,691	135,879,625	140,941,494	141,099,378
Less: Interfund Transactions	(4,406,566)	(4,904,256)	(5,336,367)	(4,868,028)
NET BUDGET	<u>120,107,125</u>	<u>130,975,369</u>	<u>135,605,127</u>	<u>136,231,350</u>

** Accounted for in the Finance Department prior to FY 2007-08.

BUDGET SUMMARY - EXPENDITURES

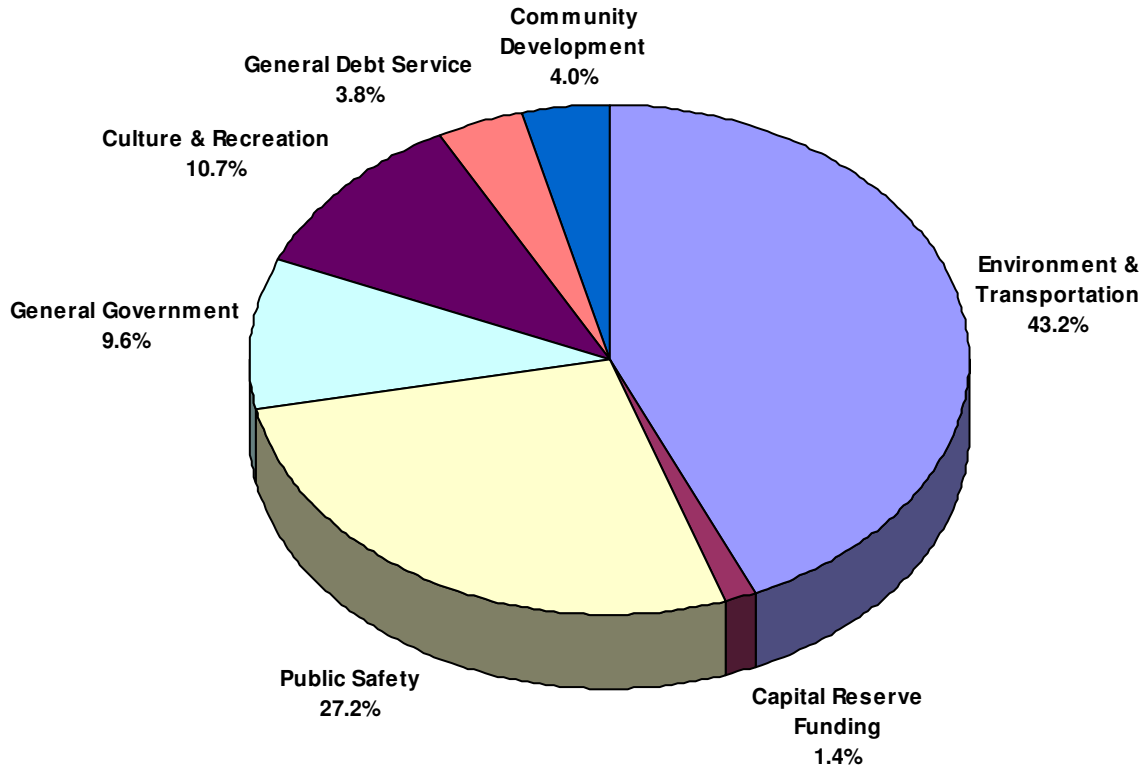
<i>Expenditures by Category</i>	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
Salaries & Wages	43,476,117	48,183,920	51,844,744	52,972,998
Fringe Benefits	13,430,104	15,775,166	17,080,604	18,552,707
Operating Costs	34,937,062	36,387,796	37,793,079	40,845,422
Debt Service	11,130,407	11,629,868	14,008,792	13,617,321
Capital Outlay	<u>17,133,705</u>	<u>18,998,619</u>	<u>14,877,908</u>	<u>10,242,902</u>
NET BUDGET	<u>120,107,125</u>	<u>130,975,369</u>	<u>135,605,127</u>	<u>136,231,350</u>

BUDGET HIGHLIGHTS

- Overall, the City's FY 2009-10 adopted budget shows a 0.5% increase compared to FY 2008-09.
- The FY 2009-10 adopted budget includes no new funding for merit or market-based pay increases for City employees. The personnel budget also reflects a net overall reduction of 10.26 FTE positions citywide. Despite these reductions, the salary budget shows a slight 2.2% increase primarily due to the carryover impact of merit increases awarded in FY 2008-09 for a partial year (based on employee anniversary dates) for which the full cost impact will take place in FY 2009-10.
- Due to rising health care costs, the fringe benefit budget includes a 15% or \$1.1 million increase in the City's contribution to the health care fund.
- Citywide operating costs show an increase of \$3.0 million or 8.1% in FY 2009-10. Most of this increase is in the general fund and water resources fund. In the water fund, operating costs are up 15% primarily due to increases in electricity rates and increased costs for materials, including the chemicals used in water treatment. In the general fund, operating costs show a \$2.5 million or 11.3% increase. Major items contributing to this increase include: 1) the addition of \$300,000 in new contract expenses for the operation of Pack Square Park; 2) a \$375,000 increase in electricity and streetlighting costs; 3) the inclusion of the \$450,000 economic development/annexation payment to the Biltmore Town Center; 4) the addition of \$160,000 to pay for the fall 2009 City Council elections; 5) \$150,000 in expenses associated with the transition expenses associated with the BTIP project, and 6) a \$106,764 increase in tipping fees at the County landfill.
- Overall, capital funding shows a decrease of \$4.6 million or 31.2% in FY 2009-10. A significant portion of this decline is due to the removal of a one-time fund balance appropriation of \$3.5 million in the water resources fund for the Brevard Road NCDOT project. In the general fund, capital outlay shows an increase of 9.4% primarily as a result of additional funding directed toward the Airport Road annexation sewer project.
- Annual debt service requirements for FY 2009-10 total \$13.62 million, which represents a decrease of 2.8% compared to FY 2008-09. The majority of this decrease is in the general fund where an equipment financing debt issuance from 2004 is being paid off in the current fiscal year.

BUDGET SUMMARY - EXPENDITURES

CITY OF ASHEVILLE FY 2009-10 EXPENDITURES BY SERVICE AREA NET TOTAL \$136,231,350



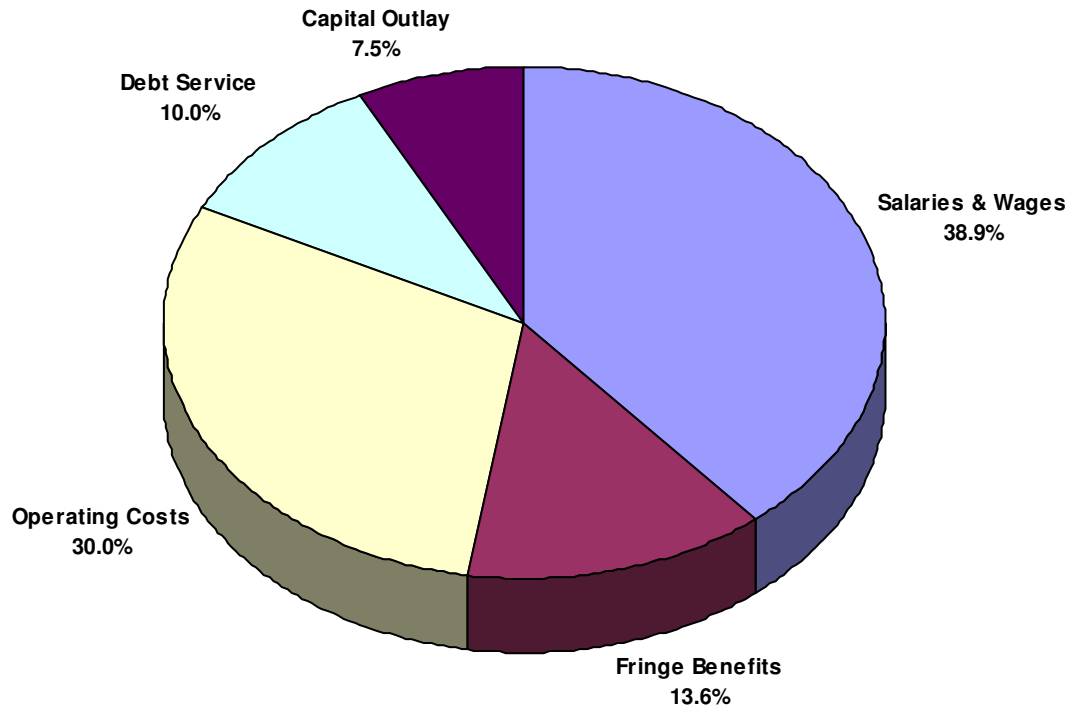
Budget-to-Budget Expenditure Comparison

<u>Service Areas:</u>	<u>2008-09 Budget</u>	<u>2009-10 Adopted</u>	<u>Change From Prior Year</u>	
			<u>in \$</u>	<u>in %</u>
Environment & Transportation	63,451,240	60,949,600	(2,501,640)	-3.9%
Public Safety	36,725,823	38,432,648	1,706,825	4.6%
Culture & Recreation	15,062,749	15,105,882	43,133	0.3%
General Government	13,060,610	13,588,191	527,581	4.0%
General Debt Service	5,709,822	5,429,922	(279,900)	-4.9%
Community Development	5,402,750	5,608,135	205,385	3.8%
Capital Reserve Funding	1,528,500	1,985,000	456,500	29.9%
Total Expenditures	140,941,494	141,099,378	157,884	0.1%
Less: Interfund Transfers	(5,336,367)	(4,868,028)	468,339	-8.8%
Net Expenditures	<u>135,605,127</u>	<u>136,231,350</u>	<u>626,223</u>	<u>0.5%</u>

Note: Debt service payments in the Water Resources and Parking Services funds are included in the Environment & Transportation service area. All other debt service is included under General Debt Service.

BUDGET SUMMARY - EXPENDITURES

CITY OF ASHEVILLE FY 2009-10 EXPENDITURES BY CATEGORY NET TOTAL \$136,231,350



Budget-to-Budget Expenditure Comparison

<u>Expense Category:</u>	<u>2008-09</u>	<u>2009-10</u>	<u>Change From Prior Year</u>	
	<u>Budget</u>	<u>Adopted</u>	<u>in \$</u>	<u>in %</u>
Salaries & Wages	51,844,744	52,972,998	1,128,254	2.2%
Fringe Benefits	17,080,604	18,552,707	1,472,103	8.6%
Operating Costs	37,793,079	40,845,422	3,052,343	8.1%
Debt Service	14,008,792	13,617,321	(391,471)	-2.8%
Capital Outlay	14,877,908	10,242,902	(4,635,006)	-31.2%
Net Expenditures	<u>135,605,127</u>	<u>136,231,350</u>	<u>626,223</u>	<u>0.5%</u>

BUDGET SUMMARY - REVENUES

<i>Revenue Sources:</i>	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
Property Tax	41,265,168	42,137,549	43,437,175	45,413,548
Charges For Service	46,874,315	48,140,866	48,369,647	50,460,692
Intergovernmental	11,816,509	13,010,051	13,182,819	14,710,464
Local Option Sales Tax	17,399,164	16,548,425	17,592,167	15,880,273
Other Taxes	320,916	313,987	330,000	330,000
Licenses & Permits	6,425,813	5,799,785	5,646,820	5,513,049
Investment Earnings	2,779,911	3,132,071	1,899,000	1,714,000
Parking Fees	2,866,774	3,008,299	3,048,700	2,789,700
Miscellaneous	784,607	1,166,946	1,184,716	688,100
Other/Interfund Subsidy	1,714,338	2,309,608	2,476,628	1,701,188
Appropriated Fund Bal.	--	--	<u>3,773,822</u>	<u>1,898,364</u>
Total Revenue	132,247,516	135,567,587	140,941,494	141,099,378
Less: Interfund Transactions	(4,406,566)	(4,904,256)	(5,336,367)	(4,868,028)
Net Revenue	<u>127,840,950</u>	<u>130,663,331</u>	<u>135,605,127</u>	<u>136,231,350</u>

BUDGET HIGHLIGHTS

- Based on estimates from the Buncombe County Tax Assessor, staff has budgeted 4.5% growth in property taxes for FY 2009-10. Approximately half of this growth is attributable to natural increases in the tax base from new construction. The rest of the growth in the tax base is the result of the Ridgfield, Airport Road, and Biltmore Town Center annexations, which combined will generate approximately \$980,000 in property tax revenue. It should be noted that under the annexation/economic development agreement with the Biltmore Town Center, the City will refund all property tax revenue collected from this development in FY 2009-10.
- Revenue from charges for services shows a 4.5% increase. Most of this increase is due to the 4% increase in water rates and the additional fee increases in the water resources fund, which are expected to generate \$1.8 million in new revenue. City Council also passed fee increases in the general fund, which will produce approximately \$830,000 in additional revenue.
- Because of the severe economic recession, the City has seen its sales tax revenue declined by 6.0% during the first eight months of FY 2008-09 compared to that same time period in FY 2007-08. Based on forecasts from the North Carolina League of Municipalities, staff has projected that this trend will continue for the remainder of FY 2008-09 and that sales tax revenue will show no growth in FY 2009-10. As a result, the sales tax budget for FY 2009-10 shows a decline of \$1.7 million or 9.7% compared to the FY 2008-09 budget.
- Intergovernmental revenue shows an increase of \$1.5 million or 11.6% in FY 2009-10, primarily due to a budgeted increase in federal funding for the transit fund.
- A slight decrease of 2.4% is budgeted for licenses and permits revenue as the economic recession has slowed the rate of development requests. The recession has also negatively impacted parking fees revenue, which shows a budget-to-budget decrease of 8.5%
- The adopted budget includes the use of \$1.9 million in fund balance to balance the general fund budget.

BUDGET SUMMARY - REVENUES

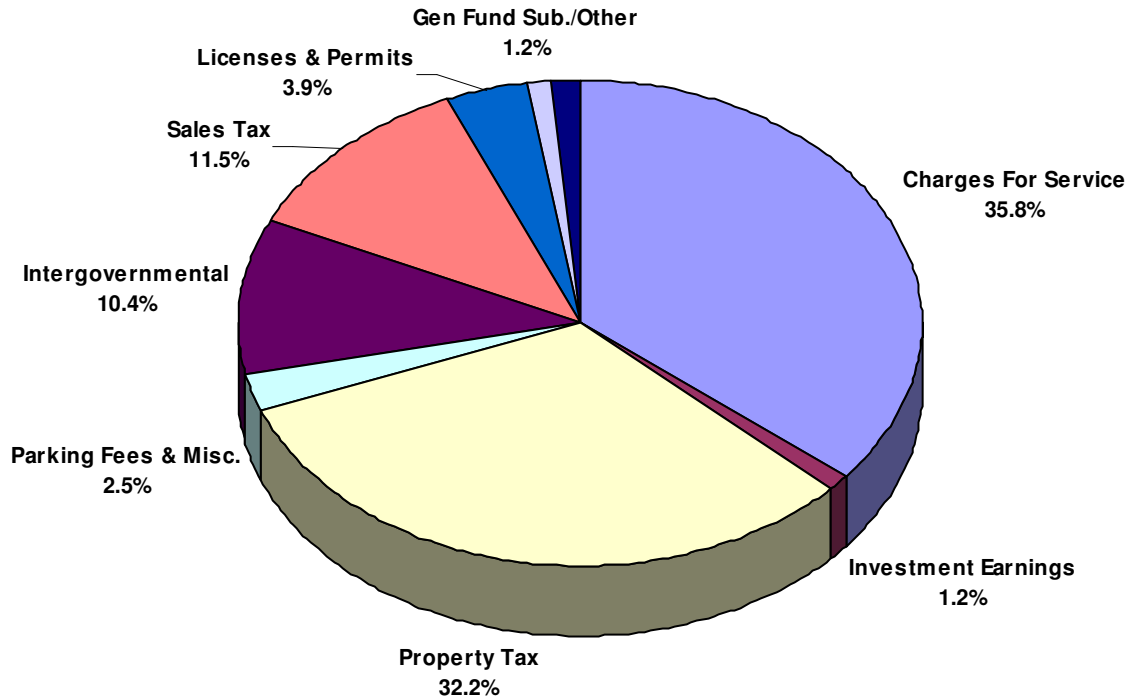
<u>Summary of City Funds</u>	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
<u>General Fund</u>				
Property Tax	41,265,168	42,137,549	43,437,175	45,413,548
Intergovernmental	9,441,851	10,934,063	10,867,167	11,393,131
Local Option Sales Tax	17,399,164	16,548,425	17,592,167	15,880,273
Other Taxes	320,916	313,987	330,000	330,000
Charges For Service	9,775,592	10,319,416	10,472,194	11,439,835
Licenses & Permits	5,877,789	5,187,003	5,026,280	4,999,049
Investment Earnings	1,660,801	1,543,080	1,014,000	1,014,000
Miscellaneous	594,084	740,492	304,000	320,093
Appropriated Fund Bal.	-	-	216,263	1,898,364
Total General Fund	<u>86,335,365</u>	<u>87,724,015</u>	<u>89,259,246</u>	<u>92,688,293</u>
 <u>Water Resources Fund</u>				
Charges For Service	30,406,152	31,132,542	30,974,000	32,576,439
Investment Earnings	940,606	1,427,717	800,000	550,000
Appropriated Fund Bal.	0	0	3,557,559	0
Miscellaneous	<u>90,745</u>	<u>67,400</u>	<u>39,550</u>	<u>23,190</u>
Total Water Resources Fund	<u>31,437,503</u>	<u>32,627,659</u>	<u>35,371,109</u>	<u>33,149,629</u>
 <u>Transit Services Fund</u>				
Intergovernmental	2,374,658	2,075,988	2,315,652	3,317,333
General Fund Subsidy	1,046,596	1,275,565	1,566,197	872,831
Parking Fund Subsidy	248,116	248,116	248,116	248,116
Licenses & Permits	308,638	307,352	333,540	310,000
Charges For Service	658,914	870,860	796,755	911,000
Miscellaneous	<u>943</u>	<u>0</u>	<u>135,000</u>	<u>0</u>
Total Transit Services Fund	<u>4,637,865</u>	<u>4,777,881</u>	<u>5,395,260</u>	<u>5,659,280</u>
 <u>Parking Services Fund</u>				
Miscellaneous	2,866,774	3,008,299	3,048,700	2,789,700
Investment Earnings	<u>60,247</u>	<u>87,355</u>	<u>51,000</u>	<u>50,000</u>
Total Parking Services Fund	<u>2,927,021</u>	<u>3,095,654</u>	<u>3,099,700</u>	<u>2,839,700</u>

BUDGET SUMMARY - REVENUES

<u>Summary of City Funds</u>	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
<u>Civic Center Fund</u>				
Charges For Service	1,479,132	1,597,855	1,716,025	1,548,400
General Fund Subsidy	413,340	431,198	397,989	391,315
Other	0	0	0	3,500
Miscellaneous	76,335	72,968	70,400	70,900
Investment Earnings	<u>83,723</u>	<u>105,245</u>	<u>55,000</u>	<u>70,000</u>
Total Civic Center Fund	<u>2,052,530</u>	<u>2,207,266</u>	<u>2,239,414</u>	<u>2,084,115</u>
 <u>Festivals Fund</u>				
Charges For Service	601,245	514,585	614,290	319,800
General Fund Subsidy	0	253,922	162,675	184,726
Miscellaneous	263,298	269,179	308,266	273,917
Other	<u>22,501</u>	<u>24,923</u>	<u>22,450</u>	<u>700</u>
Total Festivals Fund	<u>887,044</u>	<u>1,062,609</u>	<u>1,107,681</u>	<u>779,143</u>
 <u>Stormwater Utility Fund</u>				
Charges for Service	2,795,945	2,744,219	2,707,383	2,665,218
Licenses & Permits	239,386	305,430	287,000	204,000
Miscellaneous	6,286	264	280,000	0
Investment Earnings	<u>32,319</u>	<u>56,029</u>	<u>30,000</u>	<u>30,000</u>
Total Stormwater Utility Fund	<u>3,073,936</u>	<u>3,105,942</u>	<u>3,304,383</u>	<u>2,899,218</u>
 <u>Golf Fund</u>				
Charges for Service	894,037	961,389	1,089,000	1,000,000
Investment Earnings	2,215	5,172	0	0
General Fund Subsidy	<u>0</u>	<u>0</u>	<u>75,701</u>	<u>0</u>
Total Golf Fund	<u>896,252</u>	<u>966,561</u>	<u>1,164,701</u>	<u>1,000,000</u>

BUDGET SUMMARY - REVENUES

CITY OF ASHEVILLE FY 2009-10 BUDGET BY REVENUE SOURCE NET TOTAL \$136,231,350



Budget-to-Budget Revenue Comparison

<u>Revenue Sources:</u>	<u>2008-09 Budget</u>	<u>2009-10 Adopted</u>	<u>Change From Prior Year in \$</u>	<u>in %</u>
Property Tax	43,437,175	45,413,548	1,976,373	4.5%
Charges For Service	48,369,647	50,460,692	2,091,045	4.3%
Intergovernmental	13,182,819	14,710,464	1,527,645	11.6%
Local Option Sales Tax	17,592,167	15,880,273	(1,711,894)	-9.7%
Other Taxes	330,000	330,000	-	0.0%
Licenses & Permits	5,646,820	5,513,049	(133,771)	-2.4%
Investment Earnings	1,899,000	1,714,000	(185,000)	-9.7%
Parking Fees	3,048,700	2,789,700	(259,000)	-8.5%
Miscellaneous	1,184,716	688,100	(496,616)	-41.9%
Other	2,476,628	1,701,188	(775,440)	-31.3%
Appropriated Fund Bal.	3,773,822	1,898,364	(1,875,458)	-49.7%
Total Revenue	140,941,494	141,099,378	157,884	0.1%
Less: Interfund Transactions	(5,336,367)	(4,868,028)	468,339	-8.8%
Net Revenue	<u>135,605,127</u>	<u>136,231,350</u>	<u>626,223</u>	<u>0.5%</u>

BUDGET SUMMARY - STAFFING

FULL-TIME EQUIVALENT POSITIONS BY FUND

	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
General Fund	859.67	912.91	907.79	902.91
Enterprise Funds	192.50	242.26	243.26	237.88
Grant Funds	8.75	7.00	9.00	9.00
TOTAL CITY WIDE	1,060.92	1,162.17	1,160.05	1,149.79

BUDGET HIGHLIGHTS

- The FY 2009-10 budget shows a net decrease of 10.26 FTE positions.
- Twenty positions were eliminated through management streamlining and reorganizations. The City offered an early retirement incentive package during the current fiscal year which created a number of vacancies in the organization. As a result, most of the position eliminations were achieved without displacing employees.
- The adopted budget includes the addition of four positions in the Fire and Rescue Department for the expansion of the Asheville Suburban Fire District in the Haw Creek area. The budget also includes three new firefighters and two police officer positions to provide service to the Ridgefield and Airport Road annexation areas.
- A GIS Technician position was moved from the water resources fund to the general fund, and the CAYLA Coordinator position was moved from a grant fund to the general fund.
- The charts on the following three pages detail the changes in FTE positions by service area, department, and division for each of the last four fiscal years.

BUDGET SUMMARY - STAFFING

<u>SERVICE AREAS</u>	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
Departments & Divisions				
<u>Public Safety</u>				
Police				
Administration	12.00	12.00	12.00	11.00
Criminal Investigations	33.00	38.00	38.00	37.00
Support Bureau	37.00	41.00	41.00	39.00
Patrol Bureau	160.00	170.00	170.00	172.00
Subtotal Police	<u>242.00</u>	<u>261.00</u>	<u>261.00</u>	259.00
Fire & Rescue				
Accountability/Administration	5.00	5.00	5.00	5.00
Emergency Response	210.00	210.00	216.00	223.00
Fire Marshal's Office	13.00	12.00	12.00	11.00
Subtotal Fire	<u>228.00</u>	<u>227.00</u>	<u>233.00</u>	239.00
<u>Total Public Safety</u>	<u>470.00</u>	<u>488.00</u>	<u>494.00</u>	498.00
<u>Culture & Recreation</u>				
Parks, Recreation & Cultural Arts				
Administration	8.00	9.00	2.00	2.00
Planning			2.00	2.00
Riverside Cemetery	2.00	2.00	2.00	1.00
Cultural Arts	1.00	1.00	4.75	4.75
Athletics	5.00	5.00	4.00	4.00
Recreation Programs	33.02	32.76	30.39	30.39
After School Program	5.26	5.26	4.76	4.76
McCormick Field	1.00	1.00	1.00	1.00
Nature Center	15.00	14.75	14.75	14.75
Aston Park	2.00	2.00	2.00	2.00
Skate Park			1.00	1.00
Business Services			5.00	6.00
Specialized Facilities			2.00	1.00
Park Maintenance	36.00	39.00	35.00	33.00
Building Maintenance	8.00	8.00	8.00	8.00
City Hall Operations	4.63	5.00	5.00	5.00
Subtotal Parks & Recreation	<u>120.91</u>	<u>124.77</u>	<u>123.65</u>	120.65
Parks & Recreation				
Grant Funded Positions	1.00	1.00	2.00	3.00
Festivals Fund	4.50	4.75	4.75	4.75
Golf Fund	14.00	14.00	14.00	11.00
Civic Center Fund	17.00	17.51	17.51	17.13
<u>Total Culture & Recreation</u>	<u>157.41</u>	<u>162.03</u>	<u>161.91</u>	156.53

BUDGET SUMMARY - STAFFING

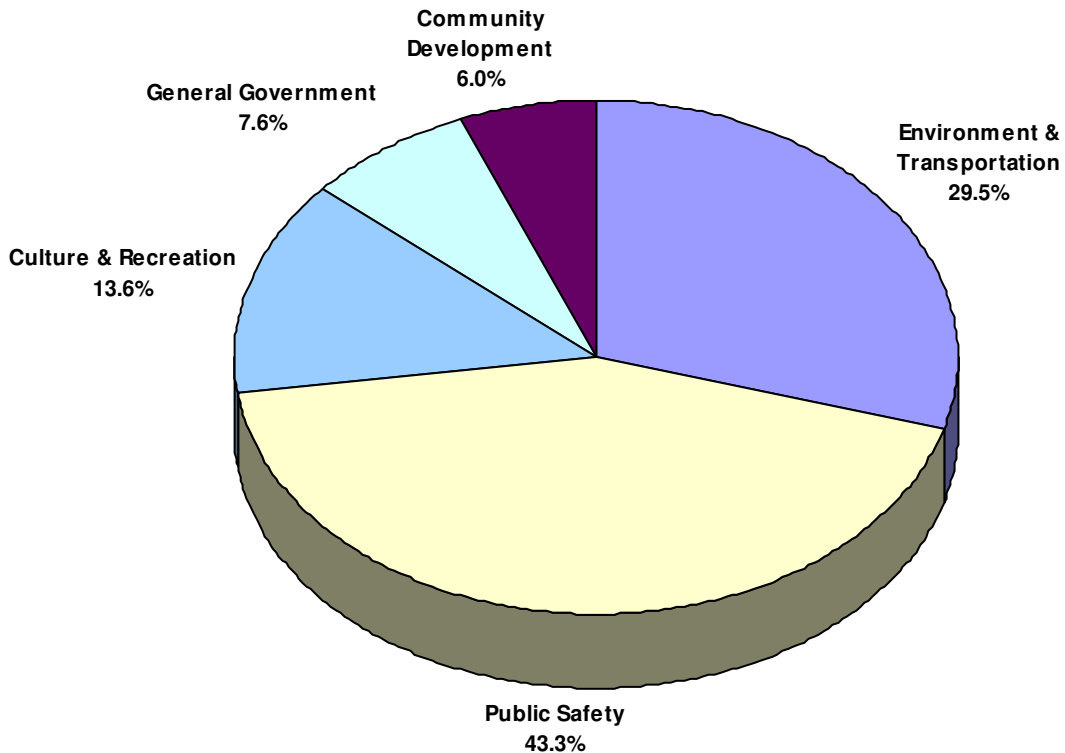
<u>SERVICE AREAS</u>	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
Departments & Divisions				
<u>Community Development</u>				
Planning & Development				
Planning Services	24.00	24.00	23.00	20.75
Homeless Program	0.00	1.00	1.00	1.00
Historic Resources	1.00	1.00	2.00	2.00
Subtotal Planning & Development	25.00	26.00	26.00	23.75
Building Safety	37.00	39.00	39.00	39.00
Community Development Fund	6.00	6.00	6.00	6.00
<u>Total Community Development</u>	<u>68.00</u>	<u>71.00</u>	<u>71.00</u>	<u>68.75</u>
<u>General Government</u>				
General Administration				
City Clerk	1.00	2.00	1.00	1.00
City Manager	5.00	6.00	5.00	5.00
Community Affairs	5.00	7.00	7.00	7.00
Economic Development	5.00	5.00	5.00	5.00
Subtotal General Administration	16.00	20.00	18.00	18.00
Finance				
Administration	3.00	3.00	3.00	3.00
Accounting	16.00	17.00	16.00	16.00
Purchasing	4.00	5.00	5.00	4.00
Budget & Research	3.00	3.00	3.00	3.00
Risk Management Admin	3.00	3.00	3.00	3.00
Central Stores	2.00	2.00	2.00	2.00
Subtotal Finance	31.00	33.00	32.00	31.00
Information Technology				
Administration	16.00	17.00	2.00	1.50
GIS & Application Services			4.00	5.00
IT Support Services			5.00	5.00
Technical Services			6.00	6.00
Subtotal Information Services	16.00	17.00	17.00	17.50
Human Resources				
Administration	9.50	11.50	10.50	10.50
Organization & Development	1.00	2.00	2.00	2.00
Health Services	2.26	2.26	2.26	2.63
Grant Funded	0.00	0.00	1.00	0.00
Subtotal Human Resources	12.76	15.76	15.76	15.13
City Attorney	5.00	6.00	6.00	5.50
<u>Total General Government</u>	<u>80.76</u>	<u>91.76</u>	<u>88.76</u>	<u>87.13</u>

BUDGET SUMMARY - STAFFING

<u>SERVICE AREAS</u>	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Adopted
Departments & Divisions				
<u>Environment & Transportation</u>				
Water Resources Fund				
Administration	7.00	7.00	8.00	7.00
Meter Services	17.00	17.00	17.00	17.00
Water Education	1.00	1.00	1.00	0.00
Water Maintenance	50.00	49.00	49.00	49.00
Water Production	32.00	41.00	41.00	41.00
Customer Service	20.00	22.00	22.00	22.00
Construction Crew	7.00	7.00	7.00	7.00
Water Engineering Services	0.00	8.00	8.00	9.00
Subtotal Water Resources Fund	134.00	152.00	153.00	152.00
Public Works				
Administration	4.00	4.75	4.75	4.75
Signs & Markings	4.00	4.00	4.00	4.00
Street Maintenance	52.00	57.00	52.00	52.00
Fleet Maintenance	14.00	14.00	14.00	14.00
Sanitation	35.00	37.00	37.00	35.00
Subtotal Public Works	109.00	116.75	111.75	109.75
Transportation & Engineering				
City Engineering	18.00	17.00	17.00	17.00
Transportation Services	3.00	4.00	3.00	2.00
Traffic Signal Maintenance	3.00	2.00	2.00	2.00
Transportation Planning	4.00	3.63	3.63	3.63
Subtotal Engineering	28.00	26.63	25.63	24.63
Stormwater Utility Fund	30.00	32.00	32.00	31.00
Transit Services Fund	2.00	3.00	3.00	3.00
Parking Services Fund	17.00	19.00	19.00	19.00
<u>Total Environment & Transportation</u>	<u>320.00</u>	<u>349.38</u>	<u>344.38</u>	<u>339.38</u>
TOTAL CITY WIDE FTE POSITIONS	1,096.17	1,162.17	1,160.05	1,149.79

BUDGET SUMMARY - STAFFING

CITY OF ASHEVILLE FY 2009-10 FTE POSITIONS BY SERVICE AREA TOTAL: 1,149.79



Budget-to-Budget Staffing Comparison

<u>Service Areas:</u>	2008-09	2009-10	Change From Prior Year	
	<u>Budget</u>	<u>Adopted</u>	<u>in #</u>	<u>in %</u>
Environment & Transportation	344.38	339.38	-5.00	-1.5%
Public Safety	494.00	498.00	4.00	0.8%
Culture & Recreation	161.91	156.53	-5.38	-3.3%
General Government	88.76	87.13	-1.63	-1.8%
Community Development	<u>71.00</u>	<u>68.75</u>	<u>-2.25</u>	<u>-3.2%</u>
Total Citywide FTE Positions	<u>1,160.05</u>	<u>1,149.79</u>	<u>-10.26</u>	<u>-0.9%</u>

ANALYSIS OF FUND BALANCE

<u>GENERAL FUND</u>	2008-09 Budget*	2008-09 Estimate	2009-10 Adopted
Total Revenues	89,042,983	87,938,983	90,789,929
Total Expenditures	90,702,641	89,916,011	92,688,293
Revenues Over (Under) Expenditures	(1,659,658)	(1,976,028)	(1,898,364)
Unreserved Fund Balance:			
Beginning	19,675,288	19,675,288	17,699,260
Ending	18,015,630	17,699,260	15,800,896
Ending Unreserved Fund Balance as a % of Total Expenditures	19.9%	19.7%	17.0%

*Budget as of the 3rd quarter FY 2008-09 financial report including encumbrances from the prior fiscal year.

One measure of a city's financial strength is the level of its available fund balances. In general, fund balance is excess or surplus money. At the end of a fiscal year, unreserved fund balance is the amount of fund balance that is remaining after reserves of fund balance for inventories, prepaid expenses, employee paid health benefits, and state statute reserve have been made. Reserves of fund balance are amounts required by state statute, or governmental accounting standards that are legally not available for spending. Fund balance that is unappropriated after budget adoption serves as a general operating reserve for the city. This operating reserve is identified as unreserved fund balance in the chart above.

According to the Local Government Commission, cities in North Carolina should have a minimum fund balance of at least 8%. The "industry average" of fund balance, however, is between 10-20% and is preferable. What are the implications when the fund balance falls below the industry average and the state's recommendation? The most costly implication is a decrease in the bond rating which characterizes the risk of the City's bonds. As the bond rating goes down, interest rates on those bonds increase and the faith and trust of the financial position of the City decreases.

If the fund balance drops to 8% or below, the State will issue a letter of warning giving the government a time frame to bring the fund balance back up. Should the government not comply, the State can step in and assume financial management.

When determining the appropriate level of fund balance for an organization, the following factors, in addition to state minimums or industry averages should be considered:

- The predictability of revenues and volatility of expenditures - a higher level of unreserved funds may be needed if significant revenue sources are subject to unpredictable fluctuations.
- The availability of resources in other funds as well as the potential drain upon general fund resources from other funds may require a higher level of unreserved fund balance.

ANALYSIS OF FUND BALANCE

- Designations by management to compensate for any portion of the fund balance already designated for a specific purpose.
- Liquidity - a disparity between when financial resources actually become available to make payments and the average maturity of the related liabilities may require a higher level of resources be maintained. One measure of a city's financial strength is the level of its available fund balances. In general, fund balance is excess or surplus money. At the end of a fiscal year, unreserved fund balance is that portion of a municipality's money that can be appropriated in the new fiscal year to cover expenditures. Fund balance that is unappropriated after budget adoption serves as a general operating reserve for the city. This operating reserve is identified as unreserved fund balance in the chart above.

The City estimates that for the General Fund, unreserved fund balance will be approximately \$17.7 million at the end of fiscal year 2008-09, which will equal 19.7% of total estimated FY 2008-09 General Fund expenditures. The FY 2009-10 adopted budget includes a \$1.9 million General Fund appropriation from fund balance. Budget staff estimates that fund balance available for appropriation at the end of FY 2009-10 will equal 17.0% of General Fund expenditures.

